

# Iowa Health Buyers Alliance

Value-Based Health Care Reform  
Workgroup, August 19, 2010

The Alliance is an association of consumers and purchasers working together for better health, better health care, and better value.

Maintaining/expanding coverage  
will require effective action to  
improve quality and drive-out  
cost...getting better value

# Quality Problems and Opportunities

- 30% of health care costs due to poor quality
- Preventable hospital acquired infections claim up to 60,000 lives per year
- About one-third of common surgical procedures may not be necessary
- About one-half of recommended care received

# Quality Problems and Opportunities

- “About 70% of what we do is non-value added (waste)” John Toussaint, MD, ThedaCare
- Iowa better, but wide variation and waste here too

# What will it take to motivate providers?

- Three major approaches:
  - 1) Regulation/accreditation,
  - 2) Financial incentives and,
  - 3) Public reporting of performance and feedback to providers.
- Meaningful public reporting is most promising

# Improving Quality

- “ Consistent advancing quality requires transparency.... it’s hard to have safety where you don’t have transparency”

Institute for Healthcare Improvement

# Financial Incentives

- Meaningful public reporting also necessary to improve financial incentives
- Accountable Care Organizations have potential for improving quality and affordability
- Four big issues



# Four Big Issues

- Are ACOs delivering to fullest potential?
- Beware of emerging cartels
- Alignment between public and private sectors
- Are patient-centered provisions in place?

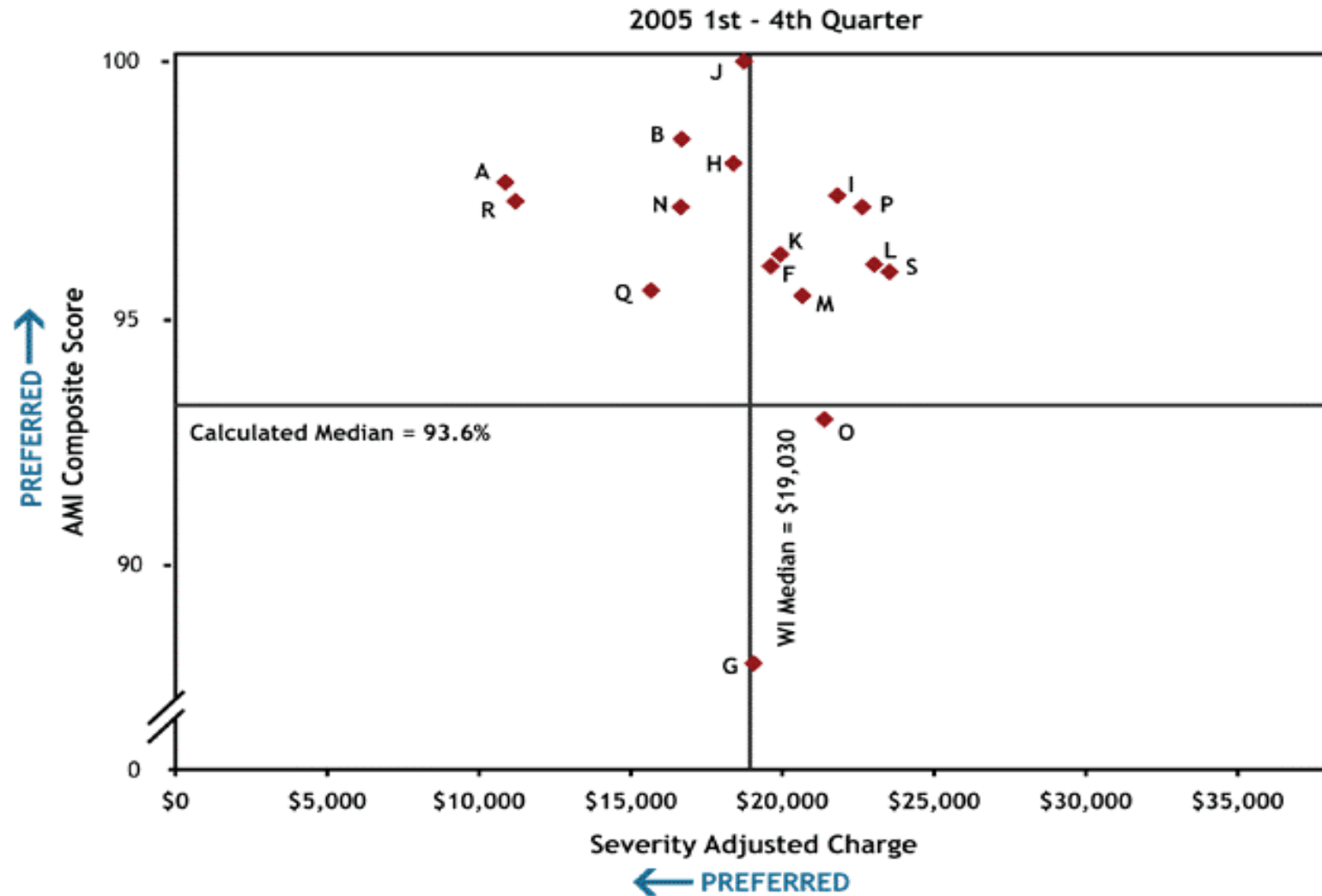
# IHBA Consumers' Guides

- Guide 4: Ranking of Hospitals for Chronic Care, Greater Iowa Area
- Dartmouth Atlas Reporting at Local Level, Iowa Case Study
- Guide3: What Patients “say” About Their Experiences with Hospital Care in the Greater Iowa Area

# Good Work Underway

- National Quality Forum
- CMS, Joint Commission, and Leapfrog Group
- Most states provide some meaningful public reporting. Leaders include Pennsylvania, Florida, Massachusetts, Maine, Minnesota and Wisconsin

# Cost and Quality Value Equation: Example



# Recommendations

- Significantly expand on Recommend #10 supporting meaningful public reporting in Iowa
- Designate agency of state government to drive meaningful public reporting
- Action by Department of Administration and Iowa Medicaid
- Review and report on efforts in other states

# Attachments/Handouts

- Several of the documents I referred to are available today and others are available upon request

# Thank you

- The IHBA is available to assist you
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- Phone: 515-252-2530